

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 17-0644.01 Bob Lackner x4350

SENATE BILL 17-085

SENATE SPONSORSHIP

Zenzinger,

HOUSE SPONSORSHIP

(None),

Senate Committees

State, Veterans, & Military Affairs

House Committees

A BILL FOR AN ACT

101 CONCERNING AN INCREASE IN THE FEE IMPOSED BY COUNTIES IN
102 CONNECTION WITH THE RECORDING OF REAL ESTATE
103 DOCUMENTS FOR THE PURPOSE OF FINANCING A STATEWIDE
104 ATTAINABLE HOUSING INVESTMENT FUND.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Currently, each county clerk and recorder collects a surcharge of one dollar for each document received for recording or filing in his or her office. The surcharge is in addition to any other fees permitted by statute.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

Section 2 of the bill raises the amount of the surcharge to \$5 for documents received for recording or filing on or after January 1, 2018.

Out of each \$5 collected, the bill requires the clerk to retain one dollar to be used to defray the costs of an electronic or core filing system in accordance with existing law. The bill requires the clerk to transmit the other \$4 collected to the state treasurer, who is to credit the same to the statewide attainable housing investment fund (fund).

Section 3 creates the fund in the Colorado housing and finance authority (authority). The bill specifies the source of moneys to be deposited into the fund and that the authority is to administer the fund. The bill directs that, of the moneys transmitted to the fund by the state treasurer, on an annual basis, not less than 25% of such amount must be expended for the purpose of supporting new or existing programs that provide financial assistance to persons in households with an income of up to 80% of the area median income for the purpose of allowing such persons to finance, purchase, or rehabilitate single family residential homes as well as to provide financial assistance to any nonprofit entity and political subdivision that makes loans to persons in such households to enable such persons to finance, purchase, or rehabilitate single family residential homes.

Section 3 also requires the authority to submit a report, no later than June 1 of each year, specifying the use of the fund during the prior calendar year to the governor and to the senate and house finance committees.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds, determines, and declares that:

4 (a) Since 2000, the state's need for attainable housing in all
5 geographic regions has grown exponentially. Among other effects, the
6 immense demand for attainable housing is a huge impediment to
7 economic growth and opportunity within the state and the ability of the
8 state to provide a high quality life for all its residents and to develop,
9 attract, and maintain a high quality workforce.

10 (b) A significant segment of the state's population, including many
11 of the state's teachers, emergency responders, nurses, and small business

1 owners and employees, the so-called "missing middle", earn too much on
2 an annual basis to qualify for most federal and state housing assistance
3 programs but do not make enough in yearly income to qualify for
4 conventional private sector assistance that also promotes home
5 ownership, particularly home ownership that is in close proximity to these
6 workers' places of employment.

7 (c) While conscious and supportive of programs that assist
8 persons in households with low and very-low incomes to obtain attainable
9 housing, by enacting this act the general assembly intends to assist
10 members of the missing middle to obtain attainable housing or housing
11 that is targeted to persons in households with incomes that are up to
12 eighty percent of the area median income.

13 (d) By increasing the documentary fee for the purpose of
14 establishing a statewide attainable housing investment fund, the general
15 assembly intends that a significant portion of the increased revenue be
16 directed toward assisting persons in households with an income that is up
17 to eighty percent of the area median income for the purpose of allowing
18 such persons in such households to finance, purchase, or rehabilitate
19 single family residential homes.

20 (2) The general assembly further intends that this act be liberally
21 construed to achieve the purpose of filling and safeguarding the basic
22 housing needs of this critical segment of the state's population.

23 **SECTION 2.** In Colorado Revised Statutes, 30-10-421, **amend**
24 (1)(b); and **add** (1)(b.5) as follows:

25 **30-10-421. Filing surcharge - definitions.** (1)(b) Beginning July
26 1, 2004, and through ~~December 31, 2026~~ DECEMBER 31, 2017, the county
27 clerk and recorder shall collect a surcharge of one dollar for each

1 document received for recording or filing in his or her office. The
2 surcharge shall be IS in addition to any other fees permitted by statute.

3 (b.5) (I) BEGINNING JANUARY 1, 2018, THE COUNTY CLERK AND
4 RECORDER SHALL COLLECT A SURCHARGE OF FIVE DOLLARS FOR EACH
5 DOCUMENT RECEIVED FOR RECORDING OR FILING IN HIS OR HER OFFICE.
6 THE SURCHARGE IS IN ADDITION TO ANY OTHER FEES PERMITTED BY
7 STATUTE.

8 (II) OF THE FIVE DOLLAR SURCHARGE COLLECTED BY THE COUNTY
9 CLERK AND RECORDER PURSUANT TO SUBSECTION (1)(b.5)(I) OF THIS
10 SECTION, THE CLERK RETAINS ONE DOLLAR TO BE USED TO DEFRAY THE
11 COSTS OF THE ITEMS SPECIFIED IN SUBSECTION (3)(b) OF THIS SECTION.
12 THE CLERK SHALL TRANSMIT THE OTHER FOUR DOLLARS COLLECTED AT
13 LEAST ONCE EACH MONTH TO THE STATE TREASURER, WHO SHALL CREDIT
14 THE SAME TO THE STATEWIDE ATTAINABLE HOUSING INVESTMENT FUND
15 CREATED IN SECTION 29-4-736 (1).

16 **SECTION 3.** In Colorado Revised Statutes, **add** 29-4-736 as
17 follows:

18 **29-4-736. Statewide attainable housing investment fund -**
19 **creation - uses of moneys - definition.** (1) THERE IS HEREBY CREATED
20 IN THE AUTHORITY THE STATEWIDE ATTAINABLE HOUSING INVESTMENT
21 FUND, REFERRED TO IN THIS SECTION AS THE "FUND", WHICH FUND IS TO BE
22 ADMINISTERED BY THE AUTHORITY. THE AUTHORITY SHALL DEPOSIT INTO
23 THE FUND:

24 (a) ALL MONEYS TRANSMITTED TO IT BY THE STATE TREASURER
25 PURSUANT TO SECTION 30-10-421 (1)(b.5)(II);

26 (b) ANY MONEYS MADE AVAILABLE BY THE STATE FOR THE
27 PURPOSES OF THE FUND; AND

1 (c) ANY MONEYS THAT ARE MADE AVAILABLE BY OR TO THE
2 AUTHORITY FROM ANY OTHER SOURCES FOR THE PURPOSE OF THE FUND.

3 (2) OF THE MONEYS TRANSMITTED TO THE FUND BY THE STATE
4 TREASURER IN ACCORDANCE WITH SECTION 30-10-421 (1)(b.5)(II), ON AN
5 ANNUAL BASIS, NOT LESS THAN TWENTY-FIVE PERCENT OF SUCH AMOUNT
6 MUST BE EXPENDED FOR THE PURPOSE OF SUPPORTING NEW OR EXISTING
7 PROGRAMS THAT PROVIDE FINANCIAL ASSISTANCE TO PERSONS IN
8 HOUSEHOLDS WITH AN INCOME OF UP TO EIGHTY PERCENT OF THE AREA
9 MEDIAN INCOME FOR THE PURPOSE OF ALLOWING SUCH PERSONS IN SUCH
10 HOUSEHOLDS TO FINANCE, PURCHASE, OR REHABILITATE SINGLE FAMILY
11 RESIDENTIAL HOMES AS WELL AS TO PROVIDE FINANCIAL ASSISTANCE TO
12 ANY NONPROFIT ENTITY AND POLITICAL SUBDIVISION THAT MAKES LOANS
13 TO PERSONS IN SUCH HOUSEHOLDS TO ENABLE PERSONS IN SUCH
14 HOUSEHOLDS TO FINANCE, PURCHASE, OR REHABILITATE SINGLE FAMILY
15 RESIDENTIAL HOMES.

16 (3) AS USED IN THIS SECTION, "AREA MEDIAN INCOME" IS
17 DETERMINED IN ACCORDANCE WITH GUIDELINES OR OTHER STANDARDS
18 PROMULGATED BY THE UNITED STATES DEPARTMENT OF HOUSING AND
19 URBAN DEVELOPMENT.

20 (4) NEW OR EXISTING PROGRAMS SUPPORTED BY THE FUND THAT
21 ARE DESCRIBED IN SUBSECTION (2) OF THIS SECTION ARE TO BE
22 ADMINISTERED BY THE AUTHORITY. THE AUTHORITY HAS SOLE
23 ADMINISTRATIVE DISCRETION TO DETERMINE HOW BEST TO EXPEND THE
24 PORTION OF MONEYS DEPOSITED INTO THE FUND THAT SUPPORT THE
25 PROGRAMS THAT IT ADMINISTERS PURSUANT TO THIS SUBSECTION (4).

26 (5) ANY MONEYS IN THE FUND NOT EXPENDED AT THE END OF ANY
27 FISCAL YEAR MUST REMAIN IN THE FUND AND WILL NOT BE TRANSFERRED

1 TO OR REVERT TO THE GENERAL FUND AT THE END OF ANY SUCH FISCAL
2 YEAR. ANY INTEREST EARNED ON THE INVESTMENT OR DEPOSIT OF
3 MONEYS IN THE FUND MUST REMAIN IN THE FUND AND SHALL NOT BE
4 CREDITED TO THE GENERAL FUND.

5 (6) MONEYS HELD IN THE FUND SHALL NOT BE TRANSFERRED TO
6 ANY OF THE OTHER FUNDS CREATED IN THE AUTHORITY PURSUANT TO THIS
7 PART 7.

8 (7) NOT LATER THAN JUNE 1, 2018, AND NOT LATER THAN JUNE 1
9 OF EACH YEAR THEREAFTER, THE AUTHORITY SHALL SUBMIT A REPORT
10 SPECIFYING THE USE OF THE FUND DURING THE PRIOR CALENDAR YEAR TO
11 THE GOVERNOR AND TO THE FINANCE COMMITTEES OF THE SENATE AND
12 HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES.

13 **SECTION 4. Act subject to petition - effective date.** This act
14 takes effect at 12:01 a.m. on the day following the expiration of the
15 ninety-day period after final adjournment of the general assembly (August
16 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a
17 referendum petition is filed pursuant to section 1 (3) of article V of the
18 state constitution against this act or an item, section, or part of this act
19 within such period, then the act, item, section, or part will not take effect
20 unless approved by the people at the general election to be held in
21 November 2018 and, in such case, will take effect on the date of the
22 official declaration of the vote thereon by the governor.